

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6733**

**BILL NUMBER: SB 247**

**NOTE PREPARED: Jan 3, 2008**

**BILL AMENDED:**

**SUBJECT:** Home Medical Equipment Licensing.

**FIRST AUTHOR:** Sen. Dillon

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED: X GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill removes specified home medical equipment from the definition of "home medical equipment" and redefines the term as equipment that is prescribed by a health care provider and either: (1) sustains, restores, or supplants a vital bodily function; or (2) is technologically sophisticated and requires individualized adjustment or maintenance.

The bill defines "home medical services" to require both the: (1) sale, rental, delivery, or installation of home medical equipment; and (2) installation, maintenance, and instruction in the use of the equipment.

**Effective Date:** July 1, 2008.

**Explanation of State Expenditures:** The bill revises the current definitions of "home medical equipment" and "home medical services" to be more specific with regard to the entities that are required to be licensed as home medical equipment service providers. The bill would require the Board of Pharmacy to revise the existing home medical equipment service provider licensure rules. The Professional Licensing Agency (IPLA) reports they can accomplish the revision of the administrative rules within the level of resources currently available.

**Explanation of State Revenues: Background Information:** The IPLA reported that 284 home medical equipment service providers have active licenses as of January 2, 2008. Licenses are issued biennially; the fee is \$150 for the original application and \$200 for biennial renewals. In FY 2007, the Pharmacy Board received \$1.3 M in revenue from licensing fees for pharmacists, pharmacist intern/externs, pharmacies, wholesale legend drug distributors, and home medical equipment service providers. The Pharmacy Board reports that the revisions in the licensure definitions would cause less than a 1% change (increase or

decrease) in the total number of the licenses issued to home medical equipment providers. Revenue from pharmacy licensing fees is distributed to the state General Fund. The Board operates under the General Fund appropriation for the IPLA.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** IPLA, Board of Pharmacy.

**Local Agencies Affected:**

**Information Sources:** IPLA and the Indiana Board of Pharmacy.

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